

Government of Jammu and Kashmir  
Mission Directorate, Pradhan Mantri Fasal Bima Yojana (PMFBY)  
Lalmandi Srinagar-190008

## Bid Document

**Invitation of Bids/Offer for selection of Insurance Companies as Implementing Agencies (IA) for Pradhan Mantri Fasal Bima Yojana (PMFBY) in respect of J&K UT, for a period of Three (03) Years, i. e. Kharif 2020 to Rabi 2022-23**

1. Bids/Offer are invited from all Insurance Companies empanelled by DAC&FW, Government of India for submission of their district-wise/crop-wise actuarial premium rates in percentage of sum insured (**financial bid**) as per the prescribed format enclosed as **Annexure-I**, for carrying out implementation -of “**Pradhan Mantri Fasal Bima Yojana (PMFBY)**” in respect of J&K UT for a period of **Three Years (03) i.e. Kharif 2020 to Rabi 2022-23**
2. The Revised Operational Guidelines 2018 (ROGs) issued by Government of India shall be the guiding parameter for implementation of the Scheme and shall prevail in case of any conflict between the clauses in the bid document and the OGs. Revision if any in the OGs shall be applicable.
3. During the year as notified above, the PMFBY will be implemented in 20 Districts/287 Blocks of J&K UT covering notified Cereals/ Oil Seeds viz., Paddy, Maize, Oilseeds (Rape Seed & Mustard), Wheat. The number of the crops to be brought under PMFBY shall be increased under a notification to be issued by the J&K Government in the coming years.
4. Scale of Finance (SoF) shall be applicable as per the rate fixed by the Technical Group on the recommendation of DLTC and duly notified at the beginning of the season. Revision of SoF if any during the period of contract/work order shall be applicable.
5. Division-wise/District-wise/Crop-wise Sum Insured (SI)/Scale of Finance (SoF)/Indemnity levels and risk period are enclosed as **Annexure-II**.
6. **Risks Coverage and Exclusions:** Following stages of the crop risks leading to crop loss are covered under the Scheme. Addition of new risks by the UT Govt. other than the one mentioned below, by the UT Govt. is not permitted.
  - 6.1 **Prevented Sowing/Planting/Germination Risk:** Insured area is prevented from sowing/ planting/germination due to deficit rainfall or adverse seasonal/weather conditions.
  - 6.2 **Standing Crop (Sowing to Harvesting):** Comprehensive risk insurance is provided to cover yield losses due to non-preventable risks, viz. Drought, Dry spell, Flood, Inundation, widespread Pests and Disease attack, Landslides, Fire due to natural causes, Lightning, Storm, Hailstorm and Cyclone.
  - 6.3 **Post-Harvest Losses:** Coverage is available only up to a maximum period of two weeks from harvesting, for those crops which are required to be dried in cut and spread/small bundled condition in the field after harvesting against specific perils of Hailstorm, Cyclone, Cyclonic rains and Unseasonal rains.
  - 6.4 **Localized Calamities:** Loss/damage to notified insured crops resulting from occurrence of identified localized risks of Hailstorm, Landslide, Inundation, Cloud burst and Natural fire due to lightning affecting isolated farms in the notified area.
  - 6.5 **Add-on coverage for crop loss due to attack by wild animals:** The UTs may consider providing add-on coverage for crop loss due to attack by wild animals wherever the risk is perceived to be substantial and is identifiable. Detailed protocol and procedure for evaluation of bids will be as per the instructions issued by GOI in consultation with Ministry of Environment and Forest and GIC Re. The add-on coverage will be optional for the farmers and applicable notional premium will be borne by the farmer. The UT Govt. Shall consider providing additional subsidy on this coverage, on the recommendation of SLCCCI. The actuarial premium rates for add-on coverage should be sought in the bid itself from the Insurance Companies; however the add-on actuarial premium rate will be considered separately and shall not form part of evaluation of L1.
  - 6.6 **Localized Calamity:** Crop loss due to lodging caused by high speed winds in isolated farms in the notified areas will be taken as additional parameter under localised claims.

## 7. General exclusions:

- 7.1 Losses arising out of war and nuclear risks, malicious damage and other preventable risks shall be excluded.
- 7.2 UT Govt., in consultation with SLCCCI, can exclude any of the aforesaid perils listed above which is not prevailing in the UT.
- 7.3 Yield loss damage for localised calamities and post-harvest losses will be assessed on the basis of individual insured farm level and hence lodging of loss information by farmer/designated agencies is essential. For remaining risks, losses are due to widespread calamities. Hence lodging of information for claims by insured farmers / designated agencies for such widespread calamities is not essential. Claims will be calculated based on the loss assessment report/average yield submitted by UT Govt.

## 8.0 Period of Risk (i.e. Insurance Period):

Risk period shall ideally be from flowering to maturity of the crop. Risk period depending on the duration of the crop and weather parameters chosen, could vary with individual crop and reference unit area and is notified by SLCCCI before the commencement of risk period. The crop-wise detail is detailed as per **Annexure-II**.

## 9. Coverage of farmers:

- 9.1 All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas are eligible for coverage. However, farmers should have insurable interest for the notified/insured crops. The non-loanee farmers are required to submit necessary documentary evidence of land records prevailing in the UT Records of Right (RoR), Land Possession Certificate (LPC) etc. and/ or applicable contract/ agreement details/ other documents notified/ permitted by concerned UT Govt. in case of sharecroppers/tenant farmers and the same should be defined by the respective UTs in the notification itself.
- 9.2 **Compulsory Component:** All farmers who have been sanctioned Seasonal Agricultural Operations (SAO) loans from Financial Institutions (FIs) (i.e. loanee farmers) for the notified crop(s) season would be covered compulsorily. This provision shall override any decision taken by FIs including PACS exempting farmers from compulsory coverage of loanee farmers.
- 9.3 However non-standard KCC /crop loans as defined and as per prevailing practices of the concerned Banks/Govt. regulator shall not be covered compulsorily. However bank branches may facilitate such farmers for enrolment as non-loanee farmers.
- 9.4 Merely, sanctioning of crop loan against other collateral securities including fixed deposits, gold/jewel loans, mortgage loans etc. without having insurable interest of the farmer on the insurable land and notified crops shall not be covered under the Scheme.
- 9.5 **Voluntary Component:**
  - The Scheme is optional for non-loanee farmers.
  - The insurance coverage will strictly be equivalent to sum insured/hectare, as defined in the Govt. notification or /and on National Crop Insurance Portal multiplied by sown area for notified crop.
- 9.6 Special efforts shall be made to ensure maximum coverage of SC/ ST/ Women farmers under the Scheme. Further Panchayati Raj Institutions (PRIs) may be involved in extension and awareness creation amongst farmers and obtaining feed-back of farmers about the implementation of the Scheme
- 9.7 The implementing Insurance Company selected as L1 will be responsible for taking necessary measures to ensure at least 10% incremental increase in coverage of non-loanee farmers. **However other empanelled Insurance Companies which have participated in the bidding and are keen for enrolment of non loanee farmers in the cluster may also be allowed to enrol non-loanee farmers at L1 premium rate. The interested companies have to inform their willingness in writing within seven days of finalisation of tender/issuance of work order to L1.** It will however be the responsibility of all the Insurance Companies engaged in this process to ensure that duplicate enrolment does not happen in the given cluster/district. Engaging companies other than L1 for enrolling non loanee farmers will be taken up on a pilot basis in Districts notified by UT Govt. They shall enrol non loanee farmers as per conditions laid down in Para 17.5. of ROGs .
- 9.8 These Insurance Company will maintain separate data of such non loanee farmers covered by them and enter the said data on the portal as per seasonality discipline detailed in Para 16.2. of ROGs. They shall be liable for payment of claims to such farmers.

9.9 The exchange of information, co-witnessing of CCEs and sharing of yield data etc. for the cluster by Government/NCIP will be limited to L1 Company only and it will be binding on other companies to accept it. However, the requisition for payment of Government subsidy in respect of non-loanee enrolled by them will be submitted directly to the Govt. designated agency.

**10. Selection of Insurance Company as Implementing Agency (IA):**

- 10.1 The selection of Insurance Company from the empanelled Insurance Companies to act as Implementing Agency (IA) shall be done by the UT for implementation of the scheme in the UT. Selection of IA will be made by adopting the cluster approach. Indemnity Level, Threshold Yields, Sum Insured etc. will be same for all Insurance Companies for the season. The empanelled companies participating in bidding have to bid the premium rates for all the crops notified / to be notified in the cluster by the UT Govt. and non-compliance will lead to rejection of the bid.
- 10.2 Based on the district-wise and crop-wise actuarial premium rates quoted by the pre-qualified companies, the total premium amount and weighted average premium rates for cluster of districts will be worked out to arrive at L1. L1 Bidder will be selected to act as Implementing Agency in the concerned cluster.
- 10.3 Selection of IA shall be made for at least (03) three years as mentioned above. Such long term continuity will facilitate the Insurance Company to establish the credibility among the farmers through investment out of the premium savings in various welfare activities for socio-economic development of the farmers like creation of the facilities of drinking water/ healthcare/education, farm levelling, Weather Forecasts, CSCs etc. It is also anticipated that long term continuity will give an opportunity to Insurers, Bankers, UT Govt. and other stakeholders for a supportive and collaborative interaction and business relationship and service effectiveness.
- 10.4 The insurance coverage in terms of number of farmers and acreage should be at least at the level of corresponding previous season. In case of fall in coverage, GoI may get the facts examined and necessary action including penal action against negative points in ranking for ICs and UT Govt., if found at fault may be taken by GoI.
- 10.5 The UT Govt. will provide requisite data about past yield data of last 10 consecutive years or more, threshold yield, crop-wise sum insured, indemnity level, insurance unit levels, names of notified units, calamity years etc. in digital form by uploading the same on National Crop Insurance Portal itself before floating the formal tender notice.

**11. Premium rate and subsidy:**

All farmers (loanee or non-loanee) enrolled under PMFBY will have to pay maximum premium 2% of the sum insured for Kharif crops, 1.5% for Rabi Crops or actuarial premium rate, whichever is lower, for food crops (all Cereals & Pulses) and Oil seeds. The difference between the actuarial premium rate and farmer share would be equally borne by the UT Government and Central Government in the ratio of 50:50. (refer Para 13 of ROGs of PMFBY).

Based on the fair estimates of coverage, UT Government will ensure to make an advance payment of 50% of subsidy liability to insurance companies and will settle the balance subsidy payment on submission of final figures by insurance companies.

**12. Claim liability:**

Insurance company shall take all necessary steps to take appropriate reinsurance cover for their portfolio in order to safeguard insured's interest. In case premium to claims ratio exceeds 1:3.5 or percentage of claims to Sum Insured exceeds 35%, whichever is higher, at the National Level in a crop season, then Govt. will provide protection to Insurance Companies. The losses exceeding the above mentioned level in the crop season would be met from equal contribution of the Central Govt. and the UT. In case losses are below the above mentioned condition, insurers shall be responsible to settle the admissible claims.

**13. Bank Services Charges:**

Bank and other financial institutions etc. shall be paid service charges @ 4% of the farmer's share of premium by Insurance Company as generated from the Portal and within the 15 days of finalization of business statistics. Rural agents engaged in providing insurance related services to farmers may be paid appropriate commission as decided by Insurance Company, subject to cap prescribed under

IRDAI regulations. If there is delay in payment of service charges by Insurance Company beyond 15 days of finalization of business statistics, amount needs to be paid with interest @12% p.a.

- 13.1 Even if the farmer's share of premium is contributed/financed by the UT Govt. the applicable service charges shall be paid by the concerned Insurance Company only.
- 13.2 No service charges will be payable to the concerned bank/branch for the applications for which any anomaly/deficiency/misrepresentation of details/data is found.

#### **14. Notification of Crops and Area:**

The scheme will operate on the principle of "**Area Approach**" in the defined areas called Insurance Unit (IU). The scheme in the UT will operate on block level covering village(s), Panchayat(s) of a particular block for notified crops.

#### **15. Notified Automatic Weather Stations (AWS) for data base as back up data:**

- 15.1 Only those AWS/ARGs of IMD/UT Govt. /private agencies should be considered and notified which are as per standards defined by IMD/WMO and are certified and approved by IMD/any agency to be notified by the UT/Central govt. These must be optimally operational and be able to provide real time weather data. AWS/ARG of private agencies should only be considered in absence of properly functioning AWS/ARGs of IMD/ UT Govt. AWS /ARG data sourced for crop insurance should be transferred on real time basis to National Portal. The detailed guidelines for sharing of weather data on the Portal will be circulated separately.
- 15.2 UT Govt. can explore the possibility to create dense AWS/ARG network on PPP Mode for which GOI will provide 50% of the viability gap funding.
- 15.3 The following data sources may be used for validation of on account claims and claims for prevented sowing:
  - Satellite/UAV/ Remote Sensing Data.
  - AWS/ARG Data.
  - MNCFC Report/Study on drought assessment.
- 15.4 UT Govt. has notified IMD/SKUAST J/K as weather data provider/expert agency whose report/ methodology would be used in assessing the extent of losses and computation of claims. Cost of such weather data shall be borne by the concerned Insurance Companies. The notified AWS and ARG should fulfil/ meet the standards/ norms/ criteria specified by the concerned authorities from time to time.

#### **16. Notification of Calamity year(s) for the Calculation of Threshold Yield (TY):**

The TY for a crop in a notified insurance unit is the average yield of best (05) five years out of last (07) seven years for that season/crop. According to provisions contained in ROGs, maximum two calamity years (if any) are excluded to arrive at the Threshold Yield (TY) for the last seven years. The Actual Yield at Reference Unit Area (RUA) which would be determinate to CD Block level (or in absence, for the next higher level) for 10 previous seasons may be collected from the Department on or before the date reflected in the timeline. The yield data of the Department will be final for the purpose of calculating claims. The Average yield (AY) for the last (07) seven years on the basis of which Threshold yield (TY) is to be calculated is available on the website of Director Agriculture/Horticulture for the use of IAs/ICs.

#### **17. Seasonality Discipline:**

The cut-off date is uniform for both loanee and non-loanee cultivators. The UT-wise cut-off dates for different crops shall be based on Crop Calendar of major crops published from time to time by the Directorate of Economics and Statistics, DAC&FW, GOI. The latest copy of the Crop Calendar (District Wise, Crop Wise) is available on [www.pmfby.gov.in](http://www.pmfby.gov.in). The SLCCCI has considered the prevailing agro-climatic conditions, rainfall distribution/ availability of water for irrigation, sowing pattern etc. in consultation with the Insurance Company for fixing seasonality discipline of the coverage and other activities in such a way that it does not encourage adverse selection or moral hazards.

		<b>Kharif</b>	<b>Rabi</b>	
<b>S. No</b>	<b>Activity</b>	<b>Paddy/Maize</b>	<b>Wheat/Oil Seeds</b>	<b>Action to be taken by</b>
1.	Conduct of SLCCCI meeting to take decision for notification of Crops and areas, adoption of Level of Indemnity and to inform crop wise Scale of Finance etc for drafting of Tender documents	After submission of consent for contract of work to be duly approved by the SLCCCI	After submission of consent for contract of work to be duly approved by the SLCCCI	Nodal Department of UT (Agriculture)
2.	Uploading of requisite information/data on crop insurance Portal and Issuing of tender documents			Nodal Department of UT (Agriculture)
3.	Finalization of Tender and award of work by UT			UT
4	Digitization of notification and downloading/ issuance of notification from crop insurance Portal for circulation amongst stakeholders	29 <sup>th</sup> Feb	31st July	By UT and concerned Insurance Companies
5	Awareness/ sensitization/training programs by UT Govt. and ICs/IAs	From 15th March	15th September	By UT and concerned Insurance Companies
6	Start of enrolment of farmers for the season(as per crop calendar)	From 1st April	From 1st October	All Stakeholders
7	Cut-off date for intimation of change of insured crop by the loanee	2 working days prior to cut off date for debit/collection of premium from farmer		Farmers/Bank
8	Cut-off date for receipt of Applications of farmers/debit of premium from farmers account (loanee and non- loanee) by all stakeholders including banks/PACS/CSC/ insurance agent/online enrolment by farmers etc. Note: *This is indicative only and district wise crop calendar will be the final basis to arrive at cut-off date	Upto last date of enrolment of farmers as notified by UTs for notified crop(s) or up to 15th July* for Kharif season		Banks/PACS/CSC/ insurance agent/online enrolment by farmers etc.
9	Declaration of Prevented sowing	Strictly within 15 days from cut-off date for enrolment of farmers i.e 31st July for Kharif and 31st Dec for Rabi		UT Govt./ IC
10	Cut-off date for electronic remittance of premium along with consolidated Declarations to respective Insurance Company and uploading of details of individual covered farmers on crop insurance Portal by Bank branches (CBs/RRBs/DCCBs/PACs), followed by SMS to all insured farmers from Portal	Within 15 days of cut-off date for enrolment of farmers/debit of premium for both loanee and non- loanee farmers i.e. 31st July for Kharif and 31st Dec for Rabi		Banks/Portal
12	Cut-off date for Insurer to accept or reject the farmer's data on Portal	Within 15 days from the cut-off date for uploading of data/information by Banks/PACS/CSC/Agent respectively, for loanee and within 30 days for non loanee i.e. 15th Aug for Kharif and 15th Jan for Rabi for loanee and 31st Aug for Kharif and 31st Jan for Rabi for Non Loanee		Insurance Companies

13	Cut-off date for CSCs/Banks/Intermediary to correct/update the paid application intimated by ICs on Crop Insurance Portal	Within 7 days from the date of intimation by ICs	CSCs/Banks/ Intermediary
14	Cut-off date for Insurer to accept the corrected/updated applications	Within 7 days from the date of submission of correction/updation by the Bank/CSC	Insurance Companies
15	Cut-off date for Banks/ICs to hand over insurance acknowledgement receipt along with folio to the insured farmer	Within 7 days from acceptance of proposal by concerned Insurance Company on Portal	Banks/ICs for enrolment through their intermediaries
16	Cut-off date for processing of applications by ICs and auto approval of application of insured farmers on crop insurance Portal	60 days from the cut-off date for enrolment/debit of premium from farmers i.e. 15th September for Kharif and 15th February for Rabi seasons	Insurance companies/ crop insurance Portal
17	Cut-off date for raising bills/requisitions with supporting documents for releasing of advance premium subsidy based on 50% of 80% of respective share of Centre/UT in corresponding previous season	Before cut-off date of enrolment of farmers	Insurance Companies/GOI /UT
18	Release of advance upfront premium subsidy (First Installment)i.e. 50% of 80% of respective share of Centre/UT in corresponding previous season	Within 15days of cut-off date of enrolment of farmers i.e. 31st December for Rabi	GoI & UT Govt.
19	Training and registration of field level workers assigned for conduct of CCEs and reporting of the same on crop insurance Portal through smart phones/CCE Agri App	Upto 15th August* *UT may fix earlier dates for early Kharif crops Upto 15th January* *UT may fix earlier dates for early Rabi crops	Designated Ground Level field Functionaries/ UT/District Level Nodal Officer
20	Registration of mobile number of representative of ICs for co-witnessing of CCE	Upto 31st August* *UT may fix earlier dates for early Kharif crops Upto 30th January* *UT may fix earlier dates for early Rabi crops	Insurance Companies
21	a) Uploading of tentative schedule/date for conducting CCEs (crop-wise/IU wise) followed by SMS on one day notice through CCEs app. ICs are equally responsible to liaise with district authorities/field workers to ascertain the schedule.	At least 7 days before tentative date for conducting CCEs	Concerned Department of UT to incorporate the same in Notification
	b) Confirmation of the CCEs schedule	Via SMS on one day notice through Portal	
22	Timeline for lodging online complaint about defaulting CCEs data	Within 2 hours of conduct of CCEs through CCE Co-observation app.	Insurance Companies

23	<i>Crop wise, Block/Tehsil wise sown area for major crops to be provided by/through MNCFC for which they release data presently on NCIP for Area Correction/Reduction Factor(ACF/ARF)</i>	<i>Before harvesting period</i>	<i>MNCFC</i>
24	<i>Approval of district wise crop wise Actual yield data and uploading on Portal</i>	<i>Within one month of completion of CCEs from district wise crop wise specific cut off dates notified by UTs for a notified crop</i>	<i>Nodal Department of UT</i>
25	<i>Cut-off date for intimation/ reconciliation/ clarification of any deficiency in Actual Yield data</i>	<i>Within 7 days from the date of uploading CCE Data from UT Department, if any.</i>	<i>Insurance Companies/ flagged on Portal</i>
26	<i>Cut-off date for resolution by UT Govt. on clarification sought by ICs/ flagged on Portal</i>	<i>Within 7 days of clarification sought by ICs/ flagged on Portal</i>	<i>UT Govt.</i>
27	<i>Cut-off date for raising bills/requisitions with supporting documents for releasing of 2nd Installment of premium subsidy based on business statistics finalized on Portal/auto approval.</i>	<i>Within 15 days of auto approval of business statistics finalized on portal.</i>	<i>Insurance Company</i>
28	<i>Release of 2nd installment of Govt. subsidy</i>	<i>Within 15 days of receiving requisition from ICs based on business statistics finalized on portal.</i>	<i>GOI/UT</i>
29	<i>Auto approval of yield data</i>	<i>Within one week from receipt of yield data /reply to clarification sought by ICs by UT Govt.</i>	<i>GoI/ Portal</i>
30	<i>Sharing of detailed information of claims with bank branches &amp; other Stakeholders from crop insurance Portal</i>	<i>Within 7 days of approval of claims by ICS</i>	<i>Portal/ Insurance Companies</i>
31	<i>Timelines for Payment of claims</i>	<i>Within 2 weeks from calculation/auto approval of claims irrespective of whether ICs have raised the bill of 2nd Installment of premium subsidy or not</i>	<i>Insurance Companies</i>
32	<i>Payment of final government subsidy</i>	<i>On finalisation of business statistics on portal after completion of approval/reconciliation for the season on portal</i>	<i>GOI/UT</i>
33	<i>Reconciliation of claim amount by concerned bank branches for loanee farmers disbursed either through Banks or directly to beneficiary accounts/ DBT In case of Non Loanee, reconciliation of claims , if required, to be done by enrolling agencies in consultation with concerned bank/UT Govt</i>	<i>Within a week after receipt of claims</i>	<i>Banks/Farmers/UT Govt.</i>

- 17.1 The Cut-off dates shall be subject to/verification as per the bank lending prevailing in the UT
- 17.2 In case the cut-off date falls on a public holiday or is declared as public holiday by the Govt. or there is disruption of services due to strikes/shut-down etc., the next working day will be treated as the cut-off date. UTs /Mission Director will have to take decision in this regard suo moto. For this UT Govt. shall send a formal intimation to GoI.
- 17.3 In case of disruption of services due to natural events beyond human control or technical/software/network issues with the National Crop Insurance Portal the subsequent dates (other than the cut-off dates for Enrolment/Premium Debit/Collection) may be extended by the competent authority on the basis of specific written inputs from Portal Development and Maintenance Agency. However due care has to be taken that such extension does not lead to moral hazard and misuse of the scheme and suitable measures should be put forth for the same accordingly.
- 17.4 Keeping in view the specific nature of crop and scope for catastrophic crop damage, SLCCCI/ UT Govt has fixed seasonality in such a way that it does not encourage adverse selection or moral hazards and also ensure early payment of claims to eligible insured farmers. Scheme also has provisions for claims due to prevented sowing and option to change the insured crop. Hence, UT Govt. will take all necessary steps to ensure enrolment of farmers well within the stipulated time under the Scheme. No request/relaxation for extension in the above seasonality/cut-off dates shall be considered/ granted by GoI once it is fixed and notified for the crop season. However, pre-ponement in cut-off dates shall be considered on case to case basis. If the UT extends the above seasonality/ cut-off dates on its-own, then Central share of premium subsidy shall not be provided for the concerned notified crops /areas.
- 17.5 It may be noted that, under no circumstance, will DAC &FW or the UT Govt. extend the cut-off dates for enrolment of farmers. However, in case the UTs decide to do so, it may be done only in agreement with implementing Insurance Company. In such cases, however no central premium subsidy will be provided for the areas/farmers/crops which are covered/ insured in the extended period and the UT has to bear the entire subsidy liability for the coverage in the extended period.
- 17.6 In a situation where total claims have been approved/auto approved, the company shall be liable to pay claims within (02) weeks of calculation/auto approval of claims irrespective of whether Insurance Companies have raised the bill for 2nd Instalment of premium subsidy or not. Hence, it is binding on the Insurance Company to seek the 2nd Instalment of premium subsidy within the timelines.
- 17.7 All admissible claims shall mandatorily be paid within the stipulated cut-off date failing which penal interest @ 12% per annum shall be payable on admissible pending claims beyond 30 days of uploading AY on portal/provided in soft copy by UT Govt. subject to release of applicable subsidy by UT Govt.

## **18. Role & Responsibilities of Various Agencies:**

### **1. Central Government**

- a) Constitute a Technical Support Unit (TSU) to monitor implementation of WBCIS, product structuring, standardization & Benchmarking of products, rationalization of premium rate / subsidy, issuing guideline for installation & accreditation of Weather Stations, creation of national grid for statistical data for the purpose and other matter / directives to insurance companies.
- b) Other role & responsibilities are same as detailed in para XXIV.1.'a' to 'g' of ROGs of PMFBY.



## 2. **UT Government**

- a) The UT government will furnish the unit-wise notified cropped area sown to respective IAs within two months after sowing.
- b) UT Government will submit CCE's results of all notified crops for notified area in standard format within stipulated date to respective IA.
- c) Take suitable action for adoption of new technology for early loss assessment and better administration of scheme. Implementing CCE using handheld devices, recording coordinates photographs, etc.
- d) Issuance of necessary instructions to Regional Meteorological Centres of IMD/SAUs and other government/ quasi government agencies for supplying weather data on real-time basis to insurance company.
- e) Submission of yield data for all notified crops and insurance units to Insurance Companies in standard format within stipulated date
- f) Assist Insurance Companies for assessment of crop loss of individual insured farmers caused by localized perils and also assist in post-harvest losses.
- g) To undertake requisite number of CCE in the notified area following single series, and Department of Agriculture will provide the yield data duly authenticated by the concerned Chief Agriculture Officer of the District for a particular Reference Unit Area viz., CD Block to the Insurance Company within the prescribed cut-off date, along with results of individual CCEs.
- h) Allow Insurance Companies to co-observe and witness CCEs, and permit them to access various records including Form-2 / Table-B at grass root / district / UT level used for recording data of CCEs by UTs. UT shall strengthen audit process of conducting CCE with necessary checks and balances. Audio/Video recording of CCEs shall be under taken besides other process as to ensure accuracy of CCE.
- i) IA should settle the claims (if any) within 3 weeks after receipt of yield data from UT government.
- j) Any disputes related to PMFBY should be addressed by Financial Commissioner/Principle Secretary/Secretary, Production Department, J&K UT whose decision on those disputes would be final and shall be binding upon all the stake holders.
- k) Other role and responsibilities shall be as detailed in Para XXIV.2 of OGs of PMFBY.

## 3. **Insurance Companies (IA).**

- a) Ensuring payment of bank service charges to banks @4% of the premium collected from banks.
- b) Providing monthly progress returns/ statistics/ information to UT and Central Government.
- c) Endeavouring for 100% coverage of the loanee farmers through Banks/Financial Institution, etc.
- d) Facilitate the bank branches/ intermediaries/ agents to upload the details of insured farmers and beneficiaries with all requisite details on Crop Insurance portal well in time.
- e) Redressal of all public grievances within the time fixed by IRDAI. Provide toll free number where farmers can approach for redressals of grievance, intimate claims in case of localized calamity, seek information on coverage, etc.
- f) The coverage of loanee farmers should be carried out by Insurance Companies themselves. Use of agents / brokers is not allowed.
- g) Claim processing and payment to Banks/farmers shall be within the prescribed timelines.
- h) Insurance company will ensure the marketing and publicity of the Scheme and submit a report with photographs to UT and Central Government.
- i) Distribution of Declaration form/proposal etc form to bank/financial institution branch/s.
- j) Submission of reports to UT and Central Government.

- k) Awareness and publicity – extensive efforts to generate publicity and create awareness of PMFBY at grass-root levels / locations including bank branches. Also coordinate with the UTs and other agencies for awareness and publicity of the scheme.
- l) Other role & responsibilities as detailed in Para XXIV.3 and XXV of OGs of PMFBY.

#### 4 **Financial Institutions/Banks Nodal bank branches/cooperative nodal banks.**

- a) In case, claims have arisen during crop season then respective nodal bank & its branches would be responsible to make payment of the admissible claims to loanee farmers who were deprived from insurance cover to their crops due to non-deduction of premium by lending banks/branches.
- b) If Nodal banks keep the amount of premium collected beyond the defined timelines (Refer Para IX of ROGs of PMFBY) then they will be liable to pay interest (at prevailing rate of interest for saving account) for the delay period to the insurance company.
- c) If Nodal banks keep the claims amount beyond the defined timelines (Refer Para XVI.3 of ROGs of PMFBY) then they will be liable to pay interest (at prevailing rate of interest for saving account) for the delay period to the eligible farmers.

### 19. **Dispute Redressal:**

19.1 **At the initial level, for grievance redressal, each district shall designate district level grievance redressal officer preferably District Agri Officer** to respond to the grievances of Farmers, Banks, ICs etc. within 07 days of receipt of grievance. In case of dissatisfaction the matter may be brought before District Level Grievance Redressal Committee (DGRC).

19.2 **District Level Grievance Redressal Committee (DGRC):** A district level monitoring Committee shall act as a grievance redressal Committee for redressal of grievances of Farmers, Banks, Insurance Company, District Authority/Department. This Committee will be headed by District Magistrate/Collector/DDC and representatives of Farmers, LDM/Banks, DDM NABARD, Insurance Company and concerned District Authority/Department shall be appointed as members. This Committee may also invite subject matter specialists/experts from Department / University/IMD/commodity Boards/Research Institutions, SRSC etc. if deemed necessary. The Committee will dispose the matter within 15 days. The decision of the Committee shall be accepted by all the parties and in case of disagreement with the decision; the same shall be represented to the UT Level Grievance Redressal Committee (SGRC) within 15 days from the decision of DGRC. In case the DGRC doesn't take the matter for discussion within 7 days from submission of grievance or the grievance has wider scope of effect impacting more number of districts or there is a breach of guidelines by any of the stakeholder or the grievance matter exceeds Rs. 25 Lakh in monetary terms, the matter may be directly raised at UT Level Grievance Redressal Committee.

#### 19.3 **UT Level Grievance Redressal Committee (SGRC):**

A UT level monitoring Committee shall act as a grievance redressal Committee for redressal of grievance of Farmers, Banks, Insurance Company, District Authority/Department which does not get settled at DGRC. This Committee will be headed by Principal Secretary/Secretary of Nodal Department, SLBC/Banks, CGM NABARD, Insurance Company and concerned UT Authority/Department shall be appointed as members. This Committee may also invite subject matter specialists/experts from Department/ University/IMD/research institutions/commodity Boards/ UT Remote Sensing Agency, STSU, STAC etc. if deemed necessary. The Committee will dispose the grievance within 15 days' time of receipt of grievance. The decision of the Committee shall be accepted by all the parties.

The Bidding Process, the Tender Documents and the Bids shall be governed by and construed

in accordance with the laws of India/ UT of J&K and the competent courts of Jammu and Kashmir shall have exclusive jurisdiction over all disputes arising under and pursuant to and/or in connection with the Bidding Process. Any dispute relating to bid document and bidding process will be resolved by the SLTC on crop insurance.

19.4 Any dispute related to claims of PMFBY will be addressed by District Level Monitoring Committee of the concerned district, however if the disputes are not addressed by the District Level Monitoring Committee then the issues would be addressed by Financial Commissioner/Principal Secretary/Secretary, APD whose decision shall be final.

19.5 Disputed claims / sub-standard claims, if any, shall be referred through UT Government to DAC&FW for disposal by the insurance company and the decision or any interpretation of DAC&FW of provisions of scheme or disputes shall be binding on all concerned.

19.6 The Bidding Process, the Tender Documents and the Bids shall be governed by and construed in accordance with the laws of India/ UT of J&K and the competent courts of Jammu and Kashmir shall have exclusive jurisdiction over all disputes arising under, and pursuant to and/or in connection with the Bidding Process. Any dispute relating to bid document and bidding process will be resolved by the SLTC on crop insurance. Any dispute related to claims of PMFBY will be addressed by District Level Monitoring Committee of the concerned district, however if the disputes are not addressed by the District Level Monitoring Committee then the issues would be addressed by Financial Commissioner/Principal / Secretary APD whose decision shall be final.

**20. Conditions:**

- i. The selected IA shall have a Divisional level office.
- ii. The Selected Implementing Agencies (IA) shall have /will open an office at each District headquarter with regular land line phone apart from mobile phone. One staff capable to handle the calls should be available in the office. The company is to submit details of the office, officer In-charge, phone no. etc. before getting the work order.
- iii. All other conditions mentioned in the Revised Operational Guidelines issued by the Department of Agriculture, Cooperation & Farmer Welfare, Ministry of Agriculture & Farmer Welfare, Govt. of India, New Delhi are to be implemented in letter and spirit.
- iv. The competent authority reserves the right to reject any or all tenders without assigning any reasons thereof.

**21. Penal action/Interest:**

Penal action/Interest on the part of stake holders shall be as per the ROGs.

**22. Power of exemption:**

Observation of above instructions on the part of the tenderer is strictly obligatory. However, the UT Level Technical Committee on crop insurance may in any exceptional cases exempt a particular tenderer from observing one or more of the instructions / of stipulations on the recommendations of the Committee.

**23. Date/ Time Schedule :**

S. No	Activity	Time line	Venue
i.	Availability of Tender Document	20.12.2019	Directorate

ii.	Submission of Final Bid Document	11 <sup>th</sup> of Jan, 2020 up to 11.00 am	<b>of Agriculture Lalmandi Kashmir/ Talab Tiloo, Jammu.</b>
iii.	Technical Bid Opening (in presence of bidders)	13 <sup>th</sup> of Jan, 2020 at 12.00 noon by the Bid opening & evaluation committee	
v.	Financial Bid Opening (in presence of bidders)	13 <sup>th</sup> of Jan, 2020 at 2.00 PM by the Bid opening & evaluation committee	
vi.	Finalization of Bid (in presence of bidders)	14 <sup>th</sup> of Jan, 2020 at 11.00 a.m. by the Bid opening & evaluation committee and recommendation to UT Govt. for holding of SLCCCI	
vii.	Submission of consent for contract of work	23 <sup>rd</sup> Jan, 2020 as approved by SLCCCI.	

The dates shown in the above mentioned table are subject to the approval of the Bid document and therefore are changeable.

#### 24. **Notification:**

UT Government will ensure issuance of the notification and its circulation to all concerned agencies / departments / institutions at-least one month prior to the commencement of the crop season / risk period. Notification issued by UT government will necessarily contain following details:

- a) Crops and Reference Unit Areas notified in various districts.
- b) Applicable Sum Insured, Premium rates, and subsidy etc.
- c) Seasonality discipline for various activities.
- d) List of Reference and Back-up Weather Stations for each Reference Unit Area

#### 25. **Selection of Areas & Crops:**

1. SLCCCI, for the purpose of selection of crops under PMFBY, has consider factors, such as availability of historical weather data, minimum cropped area, Weather perils capable of causing significant & quantifiable losses by change in measurable weather parameters etc.
2. UT Govt. has convened meetings with insurance providers and experts of Agro- meteorology / Agronomy from UT Agriculture Universities, Research Institutes etc. for finalization of risks and payout etc. before SLCCCI meeting.
3. The Scheme shall operate on the principle of “**Area Approach**” in selected notified RUAs. Therefore, UT Govt. has notified the smallest possible areas as insurance units / RUAs, which is preferably, the Village(s)/ Panchayat(s) /Block.

#### 26. **Sum Insured:**

1. The Sum Insured (SI) for each notified crop is pre-defined and will be same for loanee and non-loanee farmers, which will be based on the ‘Scale of finance’ as decided by the District Level Technical Committee. If the **Scale of Finance (SoF)** is not declared by DLTC the sum insured will be broadly based on the cost of cultivation of the crops and will be decided by UT Government. Sum Insured for individual farmer is equal to the Sum Insured multiple by acreage of the notified crop. ‘**Area under cultivation**’ shall always be expressed in ‘hectare’.

**27. Important Conditions / Clauses Applicable for Coverage of Risks:**

1. In case of any substantial misreporting by bank branch / cooperative nodal bank / PACS particularly of compulsory farmers coverage, the concerned bank only shall be liable for such misreporting. Refer para XXIV.4. 'e' of sub-head "Lead Bank / Administrative Office of commercial banks /RRBs" & 'f' of sub-head "Lending Banks/RFIs".
2. Insured / applicant must have insurable interest. Mere sanctioning / disbursement of crop loans and submission of proposals / declarations and remittance of premium by farmer/ bank, without explicit intent to raise the crop, does not constitute acceptance of risk by insurance company.

**28 Government of Jammu and Kashmir has already issued the Notification for implementation of PMFBY in the UT of J&K vide Government Order No. 201 Agri of 2019, Dated: 25.10.2019 and the approved terms and conditions shall be a guiding principal for the service provider for successful implementation of the Scheme. (Notification Enclosed as Annexure III).**

**29. For more details Insurance Companies can contact the Mission Director /Dy. Mission Director for Crop Insurance and for any clarification. Moreover, detail of overall district-wise long term weather data can be accessed / downloaded from our departmental website, [www.diragrikmr.nic.in](http://www.diragrikmr.nic.in), [www.diragrijmu.nic.in](http://www.diragrijmu.nic.in), [www.hortikashmir.gov.in](http://www.hortikashmir.gov.in), [www.hortijmu.jk.gov.in](http://www.hortijmu.jk.gov.in) under heading "Climate of J & K" for general information of the Agriculture Insurance Companies.**

**30. The bid document along-with enclosures is also available on the following [websites](#) for the convenience/information of all the stakeholders.  
[www.diragrijmu.nic.in](http://www.diragrijmu.nic.in), [www.diragrikmr.nic.in](http://www.diragrikmr.nic.in), [www.jkapd.nic.in](http://www.jkapd.nic.in) and [www.pmfby.gov.in](http://www.pmfby.gov.in)**

**31. Opening and Evaluation of Bids would be held at DoA, J/K.**

Sd/-

(Altaf Aijaz Andrabi)  
(Mission Director, PMFBY)  
J&K.

Issued through Information and Publications, Directorate of Agriculture Jammu/Kashmir.